


29 OCT 1979

MEMORANDUM FOR: Director of Communications
Director of Data Processing
Director of Finance
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

25X1 FROM:


Chief, Information Services Staff, DDA

SUBJECT: S. 2525 - Outstanding Management Issues

1. Forwarded (quite belatedly) is a 4 June 1979 letter to the General Counsel from OMB outlining outstanding management issues that as of that point were yet to be decided. The letter also suggested that those issues be considered in the 6 June 1979 working group meeting.

2. This letter and the attachment have just been forwarded to this office by OGC with the request that we review it from a DDA perspective. Therefore, would you please have someone review the issues and let me know what position you feel, if any, you think we should take thereon. I have been assured by OGC that the issues have not been dealt with and are still open.

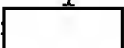
Attachment



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Distribution:

Original - D/OC w/att
1 - Each other addressee w/att
1 - ISS Subject w/att (S. 2525)
1 - ISS Chrono w/att

C/ISS  :ydc (26 Oct 79)

Approved For Release 2002/10/30 : CIA-RDP86-00101R000100020001-1

TRANSMITTAL SLIP		DATE
TO: AI/DDA		10/17/77
ROOM NO.	BUILDING	
2D-02	HQS.	
REMARKS:		
<p>From: AS</p> <p>It's not clear to me why [] is sending us a copy of this memo at this point in time. I would assume it is OBE by now.</p>		
FROM		106C
ROOM NO.	BUILDING	

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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET
Approved For Release 2002/10/30 : CIA-RDP86-00101R000100020001-1
WASHINGTON, D.C. 20503

6-5-79

ISS 79-006

June 4, 1979

Mr. Dan Silver
Counsel to the Director of
Central Intelligence
Washington, D.C. 20505

Dear Mr. Silver:

As you know, OMB has circulated for comment to the Department of Defense, the Department of Justice, and the Central Intelligence Agency, management issues related to S. 2525 and our recommended position on such issues. Based upon the input received to date, we have learned that some of these matters have been effectively resolved. On other issues, we feel that the agencies involved have presented convincing arguments for not changing existing provisions. There are a few issues, however, which continue to present problems from Presidential and government-wide perspectives. These issues are presented in the attachment.

Our guidance from Dave Aaron on this process was that if these problems could not be resolved between OMB and the agencies involved, they should be put into the SCC review process, first at the Legislative Charters Working Group level. Therefore, I request that these matters be considered at the next working group meeting scheduled for June 6, 1979.

Sincerely,

Ronald K. Peterson

Ronald K. Peterson
Chief, Resources, International, Defense Branch

Attachment

1. Contracts.

CIA has proposed a new Section 422(d) which would provide the Director of the Agency authority to undertake contract negotiations without regard to the provisions of law relating to the making, performance, amendment or modification of contracts under certain circumstances. This language is taken almost verbatim from PL 85-804 but with "the Director of the Agency" substituted for "the President." In such instances, this provision would give to the Director authorities now given in law only to the President. OFPP's view is that this section would expand CIA's existing authority considerably and unnecessarily.

If CIA wants to be granted exemption from certain procurement provisions, such authority may be authorized by the President through Executive Order. The President has exempted some agencies in Executive Order 10789. The proposed section is not appropriate.

2. NSA Facilities Management.

NSA, in Section 621(a)(6), as amended, would be exempted from certain statutes regarding the acquisition, construction and alteration of buildings and facilities. GSA has the flexibility to exempt agencies from statutory restrictions, if warranted. OMB's view is that the statutory waivers in Section 621(a)(b) should be deleted.

3. Assignment of Personnel.

Section 421(c) would authorize any department or agency to assign or loan personnel to CIA, notwithstanding any other provisions of law. OMB and OPM believe there is a need to add several requirements: (1) that loans of this nature have the concurrence of the employee concerned, and (2) that the employee is guaranteed the right to return to the loaning agency to his or her former position or a position of like seniority, status, and pay.

4. Transfer of Agency Employees to Competitive Civil Service.

Subsection 421(j)(4) and 621(g)(3) would permit employees who have been separated from CIA and NSA to be placed by the Office of Personnel Management in positions in the competitive service in the same manner as competitive employees who transfer between positions in the competitive service. Both OMB and the OPM object to these provisions; employees terminated from CIA and NSA should be able to compete for positions in the competitive service, but should not be placed noncompetitively in such positions. In fact, the OPM does not "place" an employee in a position in the competitive service in another agency. The OPM issues certificates based on competition and defines the circumstances under which an agency may appoint noncompetitively present or former Federal employees. Section 403(c) of Title 50, U.S. Code, currently provides that an employee terminated from CIA may accept employment in another agency if declared eligible for such employment by the Commission. If necessary and appropriate, NSA might wish to pursue similar statutory language.

5. Benefits and Allowances.

There continue to be three problems with provisions contained in Sections 441 and 651 concerning benefits and allowances. First, OMB has opposed extending to CIA death benefits which currently are available to Foreign Service personnel. The statutory extension of these benefits to CIA and NSA employees should be deleted. Secondly, OMB questions the validity of giving the DNI authority to establish benefits and allowances in excess of those authorized for the Foreign Service. We believe there needs to be some limit to the creation of such benefits. Finally, OMB believes that the benefits and allowances for NSA personnel serving overseas should be tied to Department of Defense authorities. Tying NSA employees to Foreign Service allowances and benefits would create inequities between NSA and other Defense employees serving overseas.

6. NSA Funding Authorities.

OMB's understanding is that NSA's proposed amendment to Section 621(a)(1) has been withdrawn. However, OMB opposes the original S. 2525 version of this section. There is little reason to fund NSA in a manner similar to CIA; the existing method of funding has proven adequate. At the least, this section should provide for the approvals contained in Section 421(a)(1).

PERS 71-6357/e

NOV 19/9

MEMORANDUM FOR: Chief, Information Services Staff, DDA

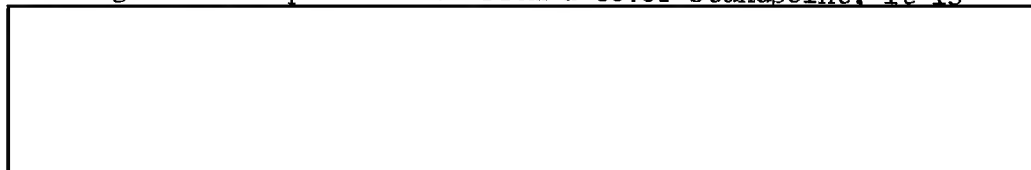
FROM : Harry E. Fitzwater
Director of Personnel

SUBJECT : S. 2525, Outstanding Management Issues

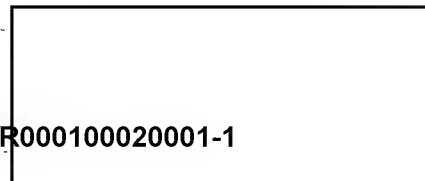
REFERENCE : Multi adse memo fr C/ISS/DDA dtd 29 Oct 79,
same subject

Our response to the referent memorandum is set forth below and is keyed to the paragraphs in the attachment to it.

1. This issue has no impact on personnel management in the Agency.
2. This issue has no impact on personnel management in the Agency.
3. With respect to the Subsection 421(c) authorization for any department or agency to assign or loan personnel to CIA, we have no objection to OMB's and OPM's proposed addition of the requirements "(1) that loans of this nature have the concurrence of the employee concerned, and (2) that the employee is guaranteed the right to return to the loaning agency to his or her former position or a position of like seniority, status, and pay." We might note that this has always been the policy and practice in the Agency.
4. We support retention of Subsection 421(j)(4) and 621(g)(3) which would permit employees who have been separated from CIA and NSA to be eligible for appointment to positions in the competitive service in the same manner as competitive employees who transfer between positions in the competitive service.
5. We continue to support retention of Section 441 in its present form, extending to CIA death benefits which are available to Foreign Service personnel. From a cover standpoint, it is



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Since the NSA matter (Section 651) has no effect on Agency personnel management, we have no comment to make.

6. This issue has no impact on personnel management in the Agency.



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Harry E. Fitzwater

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Next 1 Page(s) In Document Exempt

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OC-m79-76/
16 NOV 1979

25X1 MEMORANDUM FOR: Mr. [REDACTED]
Chief, Information Services Staff, DDA

25X1 FROM: [REDACTED]
Director of Communications

SUBJECT: S. 2525 - Outstanding Management Issues [REDACTED] 25X1

REFERENCE: ISS 79-006/1, dtd 29 October 1979

1. The Office of Communications views OMB's opposition to extending comparable Foreign Service death benefits to survivors of overseas Intelligence personnel as preposterous. Its position implies that the lives of Intelligence Community people overseas serving under similar circumstances are of less value and meaning than those of their Foreign Service counterparts. This is, to us, implicitly outrageous and cannot be tolerated. Moreover, other allowances and benefits present inequities where correction should also be considered non-negotiable if we intend to attract and keep a cadre of experts willing to accept and endure the many unique hardships of covert life overseas in the service of their country.

25X1 [REDACTED]

2. Of those mentioned, the above are the primary management issues of concern to this Office. The impact on the morale and welfare of our communicators overseas cannot be overstated. We fully support the DCI's position with OMB on these issues. [REDACTED]

25X1 [REDACTED] 25X1

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OC-M79-761
16 NOV 1979

MEMORANDUM FOR: Mr. [REDACTED]
Chief, Information Services Staff, DDA

FROM: [REDACTED]
Director of Communications

SUBJECT: S. 2525 - Outstanding Management Issues [REDACTED]

REFERENCE: ISS 79-006/1, dtd 29 October 1979

1. The Office of Communications views OMB's opposition to extending comparable Foreign Service death benefits to survivors of overseas Intelligence personnel as preposterous. Its position implies that the lives of Intelligence Community people overseas serving under similar circumstances are of less value and meaning than those of their Foreign Service counterparts. This is, to us, implicitly outrageous and cannot be tolerated. Moreover, other allowances and benefits present inequities where correction should also be considered non-negotiable if we intend to attract and keep a cadre of experts willing to accept and endure the many unique hardships of covert life overseas in the service of their country.

2. Of those mentioned, the above are the primary management issues of concern to this Office. The impact on the morale and welfare of our communicators overseas cannot be overstated. We fully support the DCI's position with OMB on these issues. [REDACTED]

ORIG:OC-EXA: [REDACTED] (16 November 1979)

Distribution:

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- 1 - OC-EXA Subject File
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WARNING NOTICE--INTELLIGENCE SOURCES
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Approved For Release 2002/10/30 : CIA-RDP86-00101R000100020001-1

OC-m 79-761

16 NOV 1979

MEMORANDUM FOR: Mr. [REDACTED]
Chief, Information Services Staff, DDA

FROM: [REDACTED]
Director of Communications

SUBJECT: S. 2525 - Outstanding Management Issues [REDACTED]

REFERENCE: ISS 79-006/1, dtd 29 October 1979

1. The Office of Communications views OMB's opposition to extending comparable Foreign Service death benefits to survivors of overseas Intelligence personnel as preposterous. Its position implies that the lives of Intelligence Community people overseas serving under similar circumstances are of less value and meaning than those of their Foreign Service counterparts. This is, to us, implicitly outrageous and cannot be tolerated. Moreover, other allowances and benefits present inequities where correction should also be considered non-negotiable if we intend to attract and keep a cadre of experts willing to accept and endure the many unique hardships of covert life overseas in the service of their country.

2. Of those mentioned, the above are the primary management issues of concern to this Office. The impact on the morale and welfare of our communicators overseas cannot be overstated. We fully support the DCI's position with OMB on these issues.

ORIG:OC-EXA:[REDACTED] (16 November 1979)

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23 JAN 1980

MEMORANDUM FOR: Chief, Information Services Staff, DDA

FROM: James H. McDonald
Director of Logistics

SUBJECT: S2525 - Outstanding Management Issues

REFERENCE: Memorandum from C/ISS/DDA, dated
29 October 1979, Same Subject
(ISS-79-006/1)

1. This memorandum is in response to referent memorandum and addresses the first management issue identified in the attachment thereto.

2. We do not feel that a major issue should be made regarding the proposed Section 422(d) which would authorize the Director of the Central Intelligence Agency to exercise authorities provided to other agencies under Public Law 85-804. If necessary, the Executive Orders implementing Public Law 85-804 could be amended to include the Central Intelligence Agency among those agencies authorized to exercise the authorities under the act. Please note that Executive Order 10789 did not exempt agencies from the act but authorized them to use the authorities contained therein.

3. There is an important area which needs to be addressed by the Office of General Counsel. The authorities under Public Law 85-804 have been used to hold harmless and indemnify contractors against any of the claims or losses arising out of or resulting from risks that the contract defines as unusually hazardous or nuclear in nature. There has been a specific instance in which this became an issue. I would appreciate some input from OGC on how we might indemnify contractors in situations that are unusually hazardous or nuclear in nature.



James H. McDonald

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